

USAID/GEO

Guyana Economic Opportunities

Transportation Constraints in the Fresh Produce Sector and the Feasibility of Forming an Exporters Association

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Executive Summary

Airfreight

There is insufficient capacity, and rates are generally high because of the small quantities shipped by each individual, and the low volumes of southbound cargo. There are only two dedicated airfreighters operating in and out of Guyana at present, Amerijet to Barbados, and MK to Miami, and they operate on a Tuesday which is by far the busiest day of the week with flights to Toronto and JFK as well. So airfreight options for exporters are not very evenly spread throughout the week. The remainder of the flights are with scheduled passenger airlines, on which there is sometimes a small amount of space allocated to carrying perishables, but it always depends on passenger loads. During peak travel times such as Christmas, booking space on these aircraft is always more difficult, and this is an ironical situation because it coincides with periods of peak demand and peak prices in the markets to the north. Securing bookings is not easy, there are a number of higher revenue yielding products such as live animals, live fish, chilled and frozen fish that airlines prefer to carry and these are generally given priority over fresh produce. For example one pallet of live wild animals going to pet shops in Miami will be charged at \$5040 (\$3.36/kg X 1500kg) by Amerijet, whereas it needs about 6 pallets of produce to Barbados to make the same revenue.

Georgetown is one of the lower revenue yielding destinations in the Caribbean region so it remains difficult to attract airlines in at competitive prices. Whilst there are stories of fresh produce exporters being offloaded because airlines quite naturally prefer to take higher value cargo, at the same time if these same produce exporters short ship, they are not charged dead freight. This is quite unusual, and whilst it is a favourable situation for the exporters, it is not doing anything to encourage them to forecast ahead and show some discipline and reliability when making bookings.

In addition there is now talk of the Cheddi Jagan International Airport Corporation introducing a 5% fee on all handling companies and airlines operating there, which will be passed onto consumers. This is another reason why forming an Association to lobby against this sort of disincentive will help exporters plead their case.

It seems the market in Toronto is under exploited because the one flight going direct to Canada once per week can only offer minimal cargo capacity. Trans-shipping on BWIA is also possible but they too can only take minimal quantities.

For those exporters wanting to look at European markets, both Virgin Atlantic and Martinair are offering very low rates (less than \$1.00/kg) to London and Amsterdam respectively, from Barbados, Antigua or St Lucia if Amerijet could deliver from Georgetown. There is no differential in low and high season rates out of Guyana, this is something exporters should try and re-negotiate in the future.

Seafreight

In contrast there is plenty of capacity here, there is not enough product available at any one time to fill a container. Twenty foot refrigerated containers (reefer) are readily available from all the shipping companies in Georgetown. A number of fresh produce exporters are now switching from airfreighting to seafreighting containers to Barbados. One of the problems in seafreight out of Guyana is that Georgetown is not a deepwater port so it can only accommodate relatively small ships. Most containers have to be trans-shipped in Trinidad which has 2 deepwater ports. This adds time and cost to Guyanese exports.

Inland Transport

Many of the good growing areas for horticultural produce lie inland along the Berbice river, or on islands in the Essequibo river. This represents many hours of travelling by boat and on sometimes bad roads, in order to deliver product to Georgetown. When it arrives not only has it notched up the cost of transport, the arrival quality is usually not what it should be.

Cold Storage

These facilities are seriously lacking at all stages of the chain in Guyana. There is nothing available in the production areas, and in Georgetown there is no large dedicated coldstore for fresh produce. In particular there is nothing available at the only export packhouse at the NGMC. At Timehri international airport, two of the freight companies have 20 foot reefers on their premises but neither work.

Production

Of all the 36 different fresh horticultural products going for export, most come from small scale farms, spread over a wide area. There is no single large commercial operation covering many hectares, with drip irrigation, packhouse facilities etc which would be able to start to get export volumes up. The NGMC expects to export around 900 tonnes of product to Barbados in the year 2003, if we add a further 600 tonnes of produce that may go into the USA and Canada that brings the total to 1500 tonnes for the year. This must be compared with other ACP countries such as Kenya which exported 132,000 tonnes this year, Zimbabwe 31,000 tonnes and Uganda 12,000 tonnes. On the bright side however, even though exports out of Guyana are relatively small compared to these figures, they are at least growing at around 30% per annum. There are 6 companies consistently involved in this business, and it is heavily dependent on favourable air freight and sea freight rates being available.

One of the constraints mentioned by exporters concerns the difficulties in obtaining phytosanitary certificates on some occasions at the airport. The Ministry of Agriculture has inspectors there, but there are only 3 and they do not seem to work on shift system. The Ministry was also criticized by exporters for not being able to quickly certify all the small farmers spread over a wide area who were growing for export to Barbados. At the moment 208 farmers are registered and the Ministry is hoping to increase this to 350 but they are seriously lacking manpower and resources for traveling etc. Use of products containing Neem is now happening,

and there is interest in organic production which should suit the production systems on small farms, but it is necessary to register the land first before the certification bodies such as Ecocert will come in.

On the subject of pesticides, there is a pesticide Board but it is not functioning properly and there are concerns on the correct use of the right agrochemicals, particularly with reference to respecting pre-harvest intervals and maximum residue limits (MRLs). If some of these problems can be ironed out it will also be worthwhile taking a look at other markets in the Caribbean apart from Barbados, such as Antigua.

The formation of a Horticultural Exporters Association

There is strong interest in forming an association, and most of those companies already involved realize the benefits of working together and benefiting from economies of scale. As a group they will have a far stronger voice in negotiating with airlines, input suppliers and the Government. Two initial meetings have now been held at the GEO offices, a steering committee has been formed, and a draft constitution worked on. The exporters have formed themselves into a steering committee, and agreed to meet frequently from now on to get this off the ground.

1. An overview of airfreight and seafreight options for exporters

Airfreight

Barbados

The only scheduled dedicated airfreight service is provided by Amerijet to Barbados and on to Miami. All the other airfreight routes open to exporters are operated by passenger aircraft, so it is always difficult to know what cargo allocations will be, because it depends on passenger loads. At peak times for passengers such as Christmas, freight allocation is minimal, yet this is the time when prices are high in the markets to the north and demand for tropical produce is strong.

The exporters have been dealing as individuals with the airlines, with relatively small tonnages, at irregular intervals, and are therefore not in a very strong bargaining position. They have to take what is offered, depending on passenger demand, and also the availability of other higher yield cargo such as chilled and frozen fish, and live animals (except live tropical fish which are charged at about the same rate as fresh produce).

Figures from the New GMC packhouse in Sophia summarise the development of the fresh horticultural exports to Barbados over the last 3 years (tonnes)

2001	2002	2003
498	698	900 estimate

This shows that whilst the industry is still relatively small, it has grown by 29% over the last year (note these figures show exports by air and sea). It is encouraging to see the upward trend, and proves that setting up the packhouse is paying off, even though it may not be up to international standards. It costs NGMC which is Government financed, G\$140,000 to operate this packhouse, and those exporters using the facility pay a nominal G\$ 2000 per shipment no matter what size it is. The exporters do have to bring in their own labour to actually wash and pack the product, but even so being able to use the building for this nominal fee is a good example of Government lending a helping hand to subsidise the industry.

Source: NGMC

Table I
Exports of Fresh Produce through the Sophia Packinghouse 2002

	Commodities	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total (Kg)	% OF TOTAL
1	Plantains	29,394	32,800	23,546	36,138	30,276	22,333	22,790	18,289	16,341	30,647	26,310	26,481	315,345	45.14%
2	Pineapples	10,367	11,990	9,752	15,050	11,583	8,989	9,286	10,273	8,537	11,152	10,963	12,817	130,759	18.72%
3	Watermelons	11,376	17,294	11,912	13,659	9,989	2,652	1,305	227	564	7,624	8,917	7,464	92,983	13.31%
4	Limes	417	11,597	10,022	20,147	10,328	4,284	3,087	1,260	531	329	190	3,404	65,596	9.39%
5	Pumpkin	874		1,052	7,474	13,831	3,401		975	1,162	2,114	2,980	5,062	38,925	5.57%
6	Cucumbers		5,631	347			720	30		417	2,524	871	335	10,875	1.56%
7	Oranges	753	2,126	333					1,404	1,483	484	724	55	7,362	1.05%
8	Eddoes	207	404	647	486	618	343	668	841	487	701	555	272	6,229	0.89%
9	Bora	157	271	419	209	510	378	495	439	541	703	851	793	5,766	0.83%
10	Dry coconut				1,170	2,727								3,897	0.56%
11	Passion fruit				441	1,222	993	303	554	91	21	93		3,718	0.53%
12	Tomatoes		98				9					2,230	1,212	3,549	0.51%
13	Eggplant	9	64	430	237	141	134	30	257	246	463	529	506	3,046	0.44%
14	Tangerines	61	24							1,489	927	170		2,671	0.38%
15	Cassava			135	673	395			137	97	417	251	95	2,200	0.31%
16	Avocado						487	962	155					1,604	0.23%
17	Cabbage		783				10	23					701	1,517	0.22%
18	Grapefruit	3								598				601	0.09%
19	Papaw					13		64	27	338	127			569	0.08%
20	Mamey	72	209											281	0.04%
21	Squash						68		122	27	54			271	0.04%
22	Sweet pepper						24						157	181	0.03%
23	Ochro		45	132										177	0.03%
24	Wiri wiri pepper			59				15				7	86	167	0.02%
25	Hot pepper		31				36							67	0.01%
26	Banana									66				66	0.01%
27	Mangoes					33								33	0.00%
28	Ortinique											25		25	0.00%
29	Corilla			23										23	0.00%
30	Ginger					18								18	0.00%
31	Shaddock												15	15	0.00%
32	Thyme							3					9	12	0.00%
33	Carambola					9								9	0.00%
34	Celery							3						3	0.00%
35	Lemons	3												3	0.00%
36	Eschallot							1						1	0.00%
	Total (Kg)	53,693	83,367	58,809	95,684	81,693	44,861	39,065	34,960	32,949	58,287	55,666	59,464	698,564	100%

New York

There are two scheduled passenger airlines (Universal and North American) serving JFK several times a week, as well as indirect flights with BWIA. A reasonable amount of produce is booked onto these along with significant quantities of chilled and frozen fish. Only those products with APHIS approval into northern ports are allowed in to the US.

Toronto

This has always been a good market for Guyanese produce due to the large ethnic community living there. But airfreight space to Toronto is extremely limited. There is only one direct flight a week, otherwise it goes on BWIA via Miami, or to Barbados on Amerijet and then onto Air Canada.

Seafreight

Barbados

A few of the fresh produce exporters have now started shipping 20 foot reefer containers, with mixed results. Companies such as Tropical Shipping are able to offer favourable rates, \$1650 for a container in which exporters can usually load around 12 tonnes of produce.

Other destinations

Amazon Caribbean accounts for most of the exports in this area, and whilst they are horticultural, they are processed, heart of palm and organic pineapple, so this is a completely different business to fresh exports. They do not seem to have too many problems getting 20 foot containers out to their markets all over the world, with destinations as far as Le Havre, Antwerp, Rotterdam, Genoa, Beirut, New York and Long Beach. They use EWL (Europe West Indies Lines) mainly to Le Havre and Rotterdam, Maersk Sealand for Genoa and Beirut, and Seafreight for Long Beach. The price FOB to Le Havre is about \$1000 per 20 foot container. To deliver to Long Beach it is now \$1585 per container going through Panama. Previously, these containers would go through Houston and across the US by road to California for \$1960. Prices to Genoa are \$1100 and to Beirut \$1600. Often there is a two way deal here, because the company import 40 foot containers with packaging materials, tin cans and labels, from France and Spain. For internal transportation; the company has a 500 tonne ship which takes supplies to and brings processed product back from the factory at Barima.

2. Proposals for overcoming transport and cold storage constraints:

Whilst most of the focus on this assignment concerns how to get perishables out of Guyana, it must be realized that there are fundamental problems with inland transport. Getting the products to Timehri airport or the quayside in Georgetown is a considerable feat in a country where the interior roads are not good, and a large proportion of product has to cross large rivers by boat before finding its way from the growing areas into the capital. This results in multiple handling operations up to the point of departure, which does nothing to enhance the quality of the product. Problems of mechanical damage, as well as those resulting from total lack of any cold chain are evident everywhere.

According to one exporter, it cost him \$515 (G\$100,000) to transport 13,636kg (30,000lbs) of product from the Berbice river area to Georgetown, (or \$0.04/kg). Inland transport from growing areas to the west of Georgetown such as Wakenham Island is \$0.03/kg.

Another related problem is the lack of cold storage at the airport. Exporters are asked to check cargo in up to 8 hours before the flight, which is not ideal for perishables. At times, flight delays may mean spending the night at the airport or returning to Georgetown until the plane arrives.

Even if there was cold storage, the electricity supply in the Timehri area is erratic and generators have to be used frequently, increasing operating cost.

Airfreight constraints and proposals for overcoming them:

The schedule in Table II shows current airfreight availability on a daily basis. The main problem is that most flights are passenger services and excess space is limited.

Prices seem reasonable in the circumstances, but they could possibly be negotiated downwards if the exporters had more volume to offer on a regular basis. At present, the export volume does not justify financing of charters and lack of organization among exporters.

For the past several years southbound flights have been full and return northbound flights relatively empty. Recent increases in fresh produce exports to Barbados and seafood exports to the U.S. have significantly reduced the space available on out-going flights.

Seafreight constraints and proposals for overcoming them:

There appears to be plenty of capacity and 20 foot reefers are always available. One key problem is that Georgetown is not a deep water port so that containers have to be trans-shipped onto larger vessels in Trinidad for onward journeys. This adds time and cost. It also seems that only a few exporters have the ability to collect and market the 12 tonnes of product prices needed to fill a container. The seafreight price seems reasonable and again, can usually be negotiated downwards by exporters who ship frequently and in sufficient volume.

To summarise this section it will be useful to look at a comparison of the cost breakdown between airfreight and seafreight out of Guyana and to show an estimate of total production cost accounted for by transport:

Example of cost breakdown on airfreight to illustrate the value chain

All costs shown are in Guyana dollars per lb

	Airfreight, using the example of shipping peppers to Toronto	Percentage of production cost
Purchase from out growers	Average 200 or production on own farm ??	
In country transportation - containers	4	2
Cost per box/basket	10	4
Labour for grading and packing	5	2
Transport to Timehri airport	7	3
Margin for exporter	?	
Price paid FOB	140	52
Airfreight	100	37
Price paid CIF Toronto	240	
Handling and clearing costs in Toronto		
Selling costs		
Retail price in Toronto	558 (C\$3.99/lb)	

This raises some interesting issues on the value chain. It appears as if margins obtained in the destination country are extraordinarily high but there are costs on the other side, spoilage, wastage that are difficult to quantify. The fresh produce business is not always very transparent so it is not easy to provide detailed cost break downs.

On the airfreight of peppers to Toronto, when you look at costs ex farm to CIF price as the total production cost, air transport works out at 37%, in fact it is more because we have not put in a figure for the exporter's profit margin.

While looking at costs, there is no mention above of the fact that many exporters shipping by air to Barbados travel on the next available flight to make sure they personally meet their

consignment on arrival in Bridgetown. Such is the distrust in which they hold the importers there. They say this is necessary so that they can verify exact weights, and the arrival condition of the products, in order not to be short changed. If these costs are factored in, they will eat away at the already small margin afforded to the exporter.

On the seafreight
G\$ per lb

	Seafreight, using the example of shipping a 20 foot reefer of 26,400 lbs (12 tonnes) of produce to Barbados	Percentage of production cost
Buying in from outgrowers	20	
Transport from inland (G\$100,000 to transport 30,00lbs)	3.34	
Cost per box/basket	5	
Labour for grading and packing	5	
Transport to quayside	0.28	
Margin for exporter	?	
Price paid FOB	45	
Seafreight (USD 1650 per container)	12.19	
Price paid CIF Barbados	120	
Handling and clearing costs in Barbados	30	
Selling costs	20	
Retail price in Barbados	200	

The seafreight exporters say they usually lose at least 10% on these shipments due to spoilage. Even though some of these costs may fluctuate depending on what product is being shipped it looks as though seafreight is only around 7% of production cost, compared with airfreight above of 37%.

The issue of the cold chain:

Although the issue of a lack of a cold chain has been raised in previous reports and discussions, it is of such importance that it bears reiteration here in relation to transportation issues.

Airport

Problem: Even if we are to address some of the transport bottlenecks, there is still a serious lack of cold storage capacity in Guyana. At the airport, both Amerijet and Laparkan have reefers at their facilities, but neither of them work. It does not appear that they have been used for some time. When aircraft are running late, exporters have the choice of waiting at the airport in temperatures between 25 degrees C in the shade to 35 degrees C outside. The second option is to take the product back into Georgetown, sell off locally, or re-grade and try again the next day. There is always considerable spoilage. Some of the seafood exporters have refrigerated trucks, so they can reload the product into their truck.

Solution: Negotiate with Amerijet or Laparkan to get their reefers up and running, so they can be used by any exporter for any flight, at a reasonable overnight cost. This will help preserve quality on the more perishable items like peppers, okra, and bora whilst waiting for the flight. It may also encourage shippers to deliver early, so the product can be prepared for export and kept in a holding cold store pending the arrival of the aircraft.

If this is not possible then the produce exporters could look at purchasing their own 40 foot reefer. The cost for a good second hand one imported from Florida is around \$10,000 CIF Georgetown, (see Annex 7 for pro-forma invoice). They could look for their own premises at Timehri on which to place it, or rent an area from an existing freight forwarder. The good thing about reefers is that they are relatively cheap, portable, and duty free into Guyana. The disadvantage is that you can only set them at one temperature. Different products require different temperatures as for instance bora (6°C) vs. pineapple (12°C). Perhaps two 20 foot reefers at different temperatures is the answer.

But this is only a temporary solution. As the industry grows and volumes increase to the extent that exporters are strong enough to charter their own aircraft, permanent cold storage facilities will be necessary to handle the volume and diversity of product coming in. There are examples elsewhere where donors have provided assistance for construction. The EIB (European Investment Bank) loaned Zambian exporters 1.4 million Euros in the mid 90's to build a 40 tonne capacity store at Lusaka airport. USAID, together with the local Civil Aviation Authority built a 30 tonne capacity cold store for Ugandan exporters at Entebbe airport. In both cases it took some years before these cold stores were operating at full capacity. What the banks and donors can do is shoulder some of the start up risks away from the producers, so that producers and exporters can concentrate on growing more, and finding new markets.

Georgetown:

Problem:

In Georgetown there is currently only one exporter who has his own cold storage facility. The lack of a cooling facility at the NGMC packhouse poses a definite problem.

Solution:

Placing a reefer at the NGMC could definitely help in the short term. If there are funds to build a small cold store, even better.

The Interior:

Problems

In production areas there is little done to maintain a cold chain, not even temporary field shelters to shade harvested product.

Solutions

Several activities could be undertaken to improve conditions. First, encouraging farmers to use temporary shade shelters and perform basic grading in or near the fields could greatly improve product quality. A second possibility is a demonstration in the building and use of charcoal coolers. These are viewed as appropriate technology in many developing countries. They operate on the principle of evaporation, and can bring temperatures down from around 30 degrees C ambient, to 13 degrees C inside the charcoal cooler. As long as poles, roofing materials, chicken wire, charcoal and a water tank are locally available, a small one can be put up at a reasonable cost.

Table II
Current freight schedules by company and destination

Airfreight options currently available to fresh produce exporters:

Day	Airline	Operator/Charterer	Equipment	Cargo capacity (tonnes)	Routing	Notes	Total tonnage available
Monday	Universal	Universal	Boeing 767 300ER	30 tonnes	Georgetown-New York JFK		Depends on passenger load
	BWIA	BWIA	Boeing 737	1-4 tonnes	Georgetown-Port of Spain-Toronto or JFK or other	Daily service	Depends on passenger load
	BWIA	BWIA	Boeing 737	1-4 tonnes	Georgetown-Barbados-Miami-Toronto or JFK	Daily service except Tues	Depends on passenger load
Tuesday	Amerijet	Total Air Cargo	Boeing 727 freighter	12 pallet positions, payload of 53,000lbs or 24 tonnes	Miami-Port of Spain-Georgetown-Barbados-Miami		24 tonnes
	MK	Laparkan	Stretch DC8	47 tonnes	Miami-Port of Spain-Georgetown-Paramaribo-Miami		47 tonnes

	North American	North American	Boeing 767 or Boeing 757	Variable but can be up to 5 tonnes	Georgetown-JFK		
	Air Transat	Constellation Tours/Roraima Airways	L10-150/500 or Airbus 310/300	1.5-3 tonnes 4-6.2 tonnes	Georgetown-Toronto		
Wednesday							
Thursday	Universal	Universal	Boeing 767 300ER	30 tonnes	Georgetown-New York JFK		Depends on passenger load
	North American	North American	Boeing 767 or Boeing 757	Variable	Boeing 767 or Boeing 757		
Friday	Amerijet	Total Air Cargo	B-727	24 tonnes	Miami-Barbados-Georgetown-Port of Spain-Miami		24 tonnes
	Universal	Universal	Boeing 767 300ER	30 tonnes	Georgetown-New York JFK		Depends on passenger load
Saturday	Universal	Universal	Boeing 767 300ER	30 tonnes	Georgetown-New York JFK		Depends on passenger load
	North	North American	Boeing 767 or	Average	Boeing 767 or Boeing 757		

	American		Boeing 757	estimate 10 tonnes			
Sunday	Universal	Universal	Boeing 767 300ER	30 tonnes	Georgetown-New York JFK		Depends on passenger load
Total	25			Over 100tonnes			

Note: Table does not show LIAT or other small regional airlines

Analysis of tonnage capacity available by destination per week:

Barbados, 8 direct flights, 30 tonnes

Port of Spain, 7 direct flights, 7 tonnes

Miami, 7 flights, 7 tonnes

New York, 8 direct flights, 65 tonnes

Toronto, 1 direct flight, 3 tonnes

Rates by airline and destination for fresh produce (USD per kg)

	Barbados	Miami	New York	Toronto	London
Amerijet	0.37	Less than 300lbs 1.30 Over 300lbs 1.16 Over 1000lbs 1.03		1.30 on Air Canada once Amerijet have delivered in Barbados	
Universal			Under 1000lbs 1.15 1000lbs to 3000lbs 1.10 Over 3000lbs 1.00	Can truck from JFK	
MK		1.10	Add trucking cost	Add trucking cost	
North American			0.96		
BWIA			Less than 100kg 1.10 101 to 500kg 1.01 501 to 1000kg 0.99 Over 1000kg .96	Less than 100kg 1.35 101 to 500kg 1.26 501 to 1000kg 1.23 Over 1000kg 1.21	Less than 100kg 2.10 101 to 500kg 1.90 Over 500kg 1.60
Air Transat				1.11 Always prepaid in Toronto	

On all airlines there is usually an AWB (airway bill) charge of USD10, and a security fee of USD5.

Background notes on airlines:

Amerijet: Based in Fort Lauderdale and Miami, Amerijet operates throughout the Caribbean as a cargo airline only, bringing in southbound cargo from the US and picking up whatever northbound they can. Total Air Cargo have been their exclusive agents and handlers in Guyana since January 2002. Other destinations include Santo Domingo, Grenada, St Lucia, St Kitts, Antigua, St Marten, Dominican Republic, Haiti, Belize, Curacao, Jamaica, Mexico, Guadeloupe, and Martinique. Amerijet operates B-727s, each of which has 12 pallet positions, with a total take off payload of 53,000lbs or 24 tonnes. They have a cold store in Miami and are therefore able to hold fresh produce transiting through their hub.

So far this year they have carried 607 tonnes of produce to Barbados, where Skyline Cargo handles for them. They take seafood and peppers and other produce from Trinidad into Miami. In booking shipments due to higher rates, Amerijet gives preferences to exports of live animals (USD3.36/kg) and frozen fish (USD0.42/kg), compared to USD0.35/kg for fresh produce going to Barbados.

Amerijet has indicated its willingness to provide charter service for a whole aircraft to Barbados, if the exporters would be able to coordinate as a group. This would cost in the region of \$12,000 (\$6,000 for every hour the aircraft spends in the air). They would also be willing to put on a dedicated service to Antigua if the exporters can revive that business.

As mentioned, Amerijet's cargo is consolidated and handled by Total Air Cargo, and Total earns a 5% commission on the airfreight only, not the fuel surcharge, for doing this. On produce going to Barbados for instance this works out at about \$0.005/lb on a freight cost of \$0.17/lb which is made up of \$0.11/lb for the actual freight component and \$0.06/lb fuel surcharge.

When it comes to payments, only one exporter has a 7 day facility. The others are prepaid or freight is collected by the consignee. It is interesting to note that they do not charge dead freight if shippers fail to show up with the quantity they booked. Total Air Cargo complained of having to continually chase many shippers for payment, and often find that their overdraft charge is more than the commission they earn from Amerijet.

For possible new destinations in Europe, Amerijet indicated that they can offer trans-shipping in Barbados onto Virgin Air for London and Martinair for Amsterdam at attractive rates. This option needs exploring in the future.

Laparkan: Laparkan has been chartering different airlines for several years and currently works through MK. It is a Zimbabwean owned airline with its head office in the UK. It is well known as a freight carrier in Africa, operating 747 freighters, as well as DC8's. At the moment Laparkan is looking into chartering an Antonov with 15 tonnes capacity, and having it permanently stationed at Timehri. The smaller Antonov would service the Caribbean and in particular pick up cargo to feed MK's weekly DC8 service going back to Miami.

Laparkan is a Guyanese owned company with its head office in Miami, and other offices in New York and Toronto. This gives them access to reasonable southbound cargo which makes the

whole transport business viable. The aircraft brings in dry cargo every Tuesday, including personal effects, machinery and hatching eggs from Miami. It stops to refuel, drop off, and pick up some fresh produce such as peppers from Port of Spain, continues to Georgetown where it drops dry cargo, picks up seafood and textiles, continues to Paramaribo where it picks up seafood, then returns to Miami. At one stage Laparkan was operating 3 flights per week but now is back to one. If they are overbooked for the Tuesday flight, they buy space for the surplus cargo from their competitors Amerijet or Universal. It costs around \$70,000 for this full charter excluding the fuel surcharge. They have not moved produce for some time. They offered a rate to Miami of \$1.10/kg, and could then truck produce on to New York (30 hours) or Toronto (40 hours) if exporters wished.

Universal Airlines: Universal operates 4 to 8 flights per week to New York (JFK). Other destinations en route to JFK include St Kitts, Trinidad, Fort Lauderdale and Paramaribo. Universal leases a Boeing 767 300 ER passenger aircraft which also has excellent cargo carrying capacity even with a full passenger load (up to 30 tonnes). They do not bring much southbound cargo, although they have a lucrative contract to bring in the mail. Northbound cargo includes textiles and garments, as well as seafood and some fresh produce. The flight stops in Trinidad on its way northbound to pick up additional passengers and cargo. Universal seems to be in an expansion mode at present, and are in talks with Virgin Atlantic to take passengers and cargo on to Europe from JFK. They are also looking at a second service to Brazil where they have been offered up to 30 tonnes per week of fresh produce to uplift in Boa Vista for onward shipment to Europe. At the airport their cargo is weighed, packed and documentation done by themselves. Handling and loading is done by Timehri Handling Services who shares concerns about the lack of cold storage facilities at the airport and are looking at putting a reefer container into their warehouse. All handling costs come to around USD 0.07/kg

Air Transat operates a weekly passenger charter every Tuesday to Toronto. This is its first year of operation. The equipment is usually a Lockheed L10 aircraft. These are very heavy and not good cargo aircraft, so capacity is minimal. It is chartered by a Canadian company called Constellation Tours and handled locally by Roraima Airways. The lease is up for renewal at the end of October, and Roraima is re-negotiating at present with another Canadian airline. Consolidated Air cargo take bookings, receive, weigh, do AWB and deliver to Roraima who pack containers and deliver airside. Very few exporters are able to get the minimal amount of space offered on this flight. A change of equipment to a B767 or other passenger widebody, with higher cargo carrying capacity would enable a significant increase in exports to Canada.

North American Airlines operate a passenger service 3 times a week to JFK. NA uses both B757 and B767 aircraft and the cargo they can uplift depends on the passenger load. The company recently experienced a problem with a load of frozen fish, and as a result will no longer handle fish shipments. This is good news for fresh produce exporters and should free up a lot more space. The rates are attractive at only \$0.96/kg.

Seafreight Options:

There are regular weekly container vessels from Georgetown, with connections possible to world wide ports. Both 20 foot and 40 foot reefer containers are available. However one of the main

constraints for perishables is that Georgetown is not a deep water harbour. Therefore only ships of a limited size can use it. This means containers are invariably transshipped onto larger vessels, usually in Port of Spain. This adds extra time and cost.

Meetings were held with 2 major shipping companies, Tropical Shipping Inc, and John Fernandes Ltd.

Tropical Shipping Inc. handles about 25% of the seafreight in and out of Guyana. In peak periods they have shipped up to 4 containers per month of fresh produce to Barbados. The trip takes about a week, and is part of regular route that goes from Georgetown to Trinidad, Grenada, Barbados, Surinam, and back to Georgetown. They have shipping hubs for onward shipping worldwide in Point Lisas Trinidad. In St Croix, Tropical can offer seafreight up to St Johns in Canada in only 17 days from Georgetown. They prefer to deal in full containers but will entertain LCL (less than container load) if exporters wanted to co-load. However, the cost will remain high if each company has its own bill of lading.

Temperature and relative humidity can be set and monitored on the reefer to ensure the product arrives in good condition. A 20 foot reefer will hold 12 tonnes of packaged produce, and the cost is \$1600-\$1700 delivered to Bridgetown (FAS or free alongside in Barbados). This charge includes bill of lading, provision of power supply to the reefer during the voyage, and documentation. It is a port to port charge. This works out at around \$0.14/kg compared with the airfreight rate on to Barbados of \$0.37/kg). The reefer can be delivered to the exporter's premises to be loaded. It is then sealed on site before being delivered quayside. There is a fixed charge of G\$7300 (USD37.50) for transporting the container to the packing site and then to the port.

The consignee at the destination pays the unloading, handling and clearing charges. There is also a landing cost, and FAS cost of \$200 paid by the consignee in Barbados.

John Fernandes Ltd. ships reasonable quantities of seafood to the US. It is more difficult to arrange reefers to Europe. The voyage would take 3 weeks. The company indicates that it would not be interested in contracts with fresh produce exporters, unless they could guarantee several containers per week. Price indicators for 40 foot reefers are USD2,600 to Jamaica, and USD3,200 to Miami.

Other seafreight companies operating from Georgetown are Maersk, CGM, Zim, Nedlloyd, Bonnut, EWL (especially for Rotterdam and Felixstowe)

4. Assessment of the feasibility in forming a horticultural exporters association

After private discussions with a range of fresh produce exporters, it became obvious there is great discontent in the industry for a number of reasons (this has already been confirmed during previous consultancies on the GEO Project). However many of these problems arise because of the attitude of exporters in wanting to work in a very individualistic way, rather than co-operate as a group where they could enjoy the benefits of economies of scale.

For example they would have much better lobbying power in issues concerning Government if they were to work together as a group. When it comes to freight, if several exporters are able to consolidate their tonnage, and contract ahead, they would always achieve better deals with transport companies. Bulk buying of inputs would also help them achieve better quality and prices. Sharing of knowledge and technical assistance would be of mutual benefit to the whole industry.

There is still the notion that once an exporter has found a market, he needs to deal as covertly as possible with that company in case another Guyanese exporter comes along and steals the business. What they don't seem to understand is that the potential market is huge, so long as they can be competitive in terms of reliability, quality and price. There is room for everybody if they do it right.

It is clear that the manipulation of customers (and product) has happened on a number of occasions, and prices have been cut, which is to no exporter's benefit in the long run; only the buyers in the overseas markets. It seems that Guyanese fresh produce exporters generally do not have a good reputation, and that country image is low.

The same situation exists in the airfreight, where individuals keep going to airlines, doing their best to secure the sometimes scarce cargo capacity, and get the best price. This way of operating is nearly always to the benefit of the airline, they can pick and choose which individuals they prefer to deal with, and the exporters never really have any buying power, because as individuals they never have very large quantities of cargo to offer on a regular basis.

It was acknowledged that it was time to deal with "the unreliable and restricted air cargo" and "the unprofessional business practices" as mentioned in Marsha Krigsvold's report.

For these reasons, a large group of exporters stated that they would like to meet together and start working as an association.

The consultant arranged a meeting in the GEO Project boardroom on Friday 10th October, at which 14 companies attended. This was a meeting purely for the private sector, to enable them to talk frankly and openly about how they viewed the current state of the industry, and did not include anyone from outside the industry.

The agenda was as follows:

1. Airfreight/Seafreight
2. Input procurement

3. Technical assistance
4. Financing
5. Forming an Association

A draft constitution setting out the aims and objectives of the Association and a *modus operandi* was tabled by the consultant and discussed with the group.

There was general consensus, and agreement that this was the way forward for the industry, and that forming an Association had proven successful in many other developing countries wanting to export fresh horticultural produce. The consultant cited examples in the Caribbean and Africa. It was the only way to overcome some of the constraints facing a small and newly emerging industry with considerable infrastructural weakness.

Those present asked for a follow up meeting, and 12 companies reconvened in the GEO boardroom on Wednesday 15th October. After considerable discussion, a second draft of the constitution was agreed. Those present agreed to work as a steering committee, out of which an executive committee would emerge in time. A chairperson was elected, and four sub-committees each with a group leader were selected. These exporters all showed a willingness to work together in a “spirit of export” as mentioned in the Dreiman/Kedrock report. The steering committee agreed to meet from now on, on the first Thursday of every month at 1.30 pm in the GEO boardroom, until it was strong enough to look for its own premises. At the next meeting steps would be discussed on how to register the Association, and the subcommittees would report on how they had started to tackle some of the tasks allocated to them.

The second draft of the constitution, minutes of this first meeting, and a list of the exporters involved so far, is attached in Annexes 2 and 3 of this report.

There is no doubt the interest is there in forming an Association, it remains to be seen now how serious this group is, how cohesive they are, and what effort they put into achieving their aims and objectives. The consultant constantly advised them that they would stand a better chance of getting the ear of donors and lending institutions, if they were seen to be helping themselves first of all, in an effort to become self sustaining. It was suggested that those present agree a nominal subscription to get things started, and open a bank account. In too many cases in the past Associations have sprung up, just because funding has been available, rather than there being a genuine innate commitment from the industry, to work together and take responsibility for their own future.

Initial meetings were held by the consultant with DFID, World Bank country office, and CIDA to inform them of these developments in the industry and scout around for potential funding. CIDA in particular showed strong interest in supporting producer/exporter associations, and Canada is increasing its world wide budget allocated for agriculture from C\$80 million to C\$500 million. They have asked to be kept closely informed about developments in the formation of this association.

It is also recommended that the Guyanese fresh produce exporters study the progress of the Jamaica Exporters Association in obtaining funding, they were able to get an IDB loan at 4%

which they lent on to exporters in start up phase at 6%. The 2% margin was used to fund the secretariat at JEA. Some Jamaican exporters were able to borrow from this fund interest free if they repaid in 60 days, but we are not sure of the default rate.

In the coming weeks it will be important to register the Association as a not for profit organization under the “Friendly Societies Act”.

5. Recommended follow up activities

Look at niches

Further market research is required so that Guyana could specialize in just a few of the products on the list of 36, rather than try to sell everything to everybody. The consultant was able to meet with one of the large UK importers of Caribbean produce, and he was looking to source the following in particular from Guyana. Mangoes (Buxton spice), sweet potatoes, red and white, (could come from Region 1), dasheen, eddoes, plantains (maiden rather than horse, the buyer mentioned he was already buying Costa Rican horse plantains at \$0.12/kg and that they came into UK by sea in only 14 days; he was also seafreighting Dominican maiden plantains out of Dominica at \$6.50 per box of 23kg or 50lb.), and yams.

If exporters can get the right quantities, and quality, and do the sums on the airfreight, it may be viable. But the airfreight needs to be a good deal because although these may be niche products, they are not particularly high value. The buyer was also asking for telescopic boxes if these are currently available in Guyana. NGMC stated they have sent samples of yellow passion fruit and Carambole to Minor Weir and Willis, another large UK importer, so feedback from that shipment needs to go back to the exporters so they could try and develop that niche.

Look at higher value crops

Whilst much of this study has focused on the large range of fruit and vegetables on the NGMC list, none can be considered very high value crops. If Guyana is to look at expanding its airfreight options and exporting further afield to say Europe, airfreight is going to be higher than into regional markets. Floriculture is one area of high value horticulture that has done well in many developing countries in Africa in recent years. Airfreight for flowers from Africa into Europe varies between \$1.50 and \$2.00/kg. These rates could be achievable out of Guyana if there was sufficient volume of business. Certainly the tropical flowers such as heliconias, gingers, and various foliage have already been successfully exported some years ago by Double B Exotic Gardens into Germany. Growing conditions are good, but investment in irrigation systems, shade netting and packing facilities will be needed. It would be worth doing a feasibility on this some time in the future. Anthuriums are another high value tropical flower that have been exported from Barbados.

Another interesting high value horticultural export, although it is not really fresh, is the Cerassi? Tea bush. This is currently going into London on BWIA via Trinidad, and the airfreight rate at \$1.90/kg is easily affordable to the exporter. Fortunately it is handled by Consolidated Cargo Ltd and charged by weight rather than volume.

Diversification in the sugar industry

As in Mauritius (anthuriums and pineapples), there is potential here for some Guyanese sugar estates (Demerara?) to move into high value horticultural crops. They already have the infrastructure and management available to commit large areas of land to new crops. This would ensure the volumes and continuity of supply that international buyers are looking for. Plantains seem to be Guyana's top horticultural export, yet there does not seem to be any very large scale production. This could be an ideal crop for the sugar estates to put into plantations.

Private sector packing facilities

Whilst the NGMC pack house has played a vital role in developing the fresh product export business to Barbados, it is not wise for the Government to continue subsidizing it indefinitely. Furthermore it is not an easy unit to manage, since the exporters each come in with their own labour, and their own way of doing things, which often causes confusion. The place can become chaotic especially on a Monday when everyone is rushing to prepare product for the Tuesday morning Amerijet flight to Barbados. The Government should develop an exit strategy which does not have to be immediate. The sooner some companies in the private sector want to commit and invest in their own facilities, the better. The ideal place of course for new production areas, and packhouses, is in the immediate vicinity of Timehri Airport.

Exposure to existing export produce packing facilities

In order to show exporters and potential investors what they should be aiming for, it would be helpful for some exporters who want to take a long term view in this business to travel to say Jamaica, Dominican Republic, or California, to visit well managed fresh produce packhouses. Here they will see quality control systems being implemented, maintenance of the cold chain at every stage, and well organized post harvest handling and freight.

Exposure to export markets/trade journals/trade shows

Visits to overseas buyers, wholesale markets, and supermarkets are also necessary to help Guyanese exporters come to terms with the very high standards now being demanded. Subscriptions to trade journals such as The Packer (US) or The Fresh Produce Journal (UK) will help them get up to speed with what is happening in the industry and what the competition are doing. Attendance at major international trade shows is also useful, where all the producer countries exhibit their produce in a very professional way in an attempt to gain the eye of the buyers who frequent these events.

Encouragement of farmer groups specializing in certain horticultural export crops in certain regions

This will help concentrate production, and reduce the problems of inland transportation. At the moment a wide range of product is collected from small pockets over a huge area. If certain regions with the right growing conditions can be persuaded to specialize in particular crops for export this will make collection more efficient. In addition encouragement of women's groups such as the Pomeroon Women Small Cottage Association will help bring new activities and means to improve rural household income and standards of living in many areas.

Provision of affordable finance to encourage further investment in the sector

If it is possible to assist potential exporters access funding from the IDB or EIB in the form of soft loans, with grace periods on capital repayment, this will help kick start the industry and get volumes up. At the moment, the larger exporters even if they have enough collateral to borrow from commercial banks, have to look at interest rates of 16-18%. For small scale farmers then there already appear to be good microfinance schemes in place such as those operated by IPED, but here too interest rates of 4-6% per month are not always easy for small farmers to work on.

Support to the newly formed Horticultural Exporters Association

Their aims and objectives have been spelled out in the draft Constitution (Annex 1) and subcommittees formed to deal with their main constraints. At the top of the list is airfreight which will probably always remain their highest priority. As they have no capacity within their own group at the moment to start consolidating cargo, and making deals with the airlines, it is proposed that a stronger link be formed between the Association and the company Consolidated Cargo Ltd. which is already performing this service for the growers, albeit in an informal way at present. They want more business, and the General Manager has expressed a wish to take on the co-ordination of most of the fresh produce exports. The company would be able to cut airwaybills, do the manifests, and security scan for a negotiable fee depending on volumes. They are already involved in an Association of Cargo Operators at Timehri. They would also be able to try and ensure that the necessary inspectors are on hand to issue phytosanitary certificates.

Annex 1. GHEA (Guyana Horticultural Exporters Association), Copy of second draft constitution, minutes of first meeting

SECOND DRAFT

Following two meetings of Guyanese horticultural exporters at the GEO Project office, Georgetown, Friday 10th October, 2003, and Wednesday 15th October, 2003

CONSTITUTION OF THE GUYANA HORTICULTURAL EXPORTERS ASSOCIATION (GHEA)

1. Name

The Association shall be known as the Guyana Horticultural Exporters Association (hereinafter called “the Association”).

2. Objective

The objective of the Association shall be to promote and develop exports in the horticulture and floriculture sectors of the agricultural industry.

3. Membership

All membership applications should be proposed by a paid up GHEA member. All membership applications should be subject to the approval of the Executive Committee of the Association.

Membership of the Association shall be open to:

- a) Any person who is a bona fide farmer directly involved in a horticultural and/or floricultural export business in Guyana.
- b) Any association of persons incorporated or not which carries on the business of horticultural and/or floricultural exports in Guyana.
- c) Any person, association or body, corporate or incorporate, accepted as a member at the absolute discretion of the Executive Committee of the Association.

4. Management

Management of the Association shall be vested in an Executive Committee comprising 5 members which shall be drawn up as follows:

- a) The 5 members voted onto the Executive Committee should be elected for a period of 2 years – 3 of the 5 members should retire each year and if they wish stand for re-election.
 - b) The Committee shall elect a Chairman of the Association and determine the period for which he/she is to hold office.
 - c) The NGMC, and GOINVEST shall be appointed ex-officio members of the Executive Committee.
 - d) The members of the Executive Committee, elected or appointed as specified in Clause 4(a) and 4(b), shall have the authority to co-opt up to two other persons to serve as associate committee members on the Executive Committee; such associates not necessarily being members of the Association. The selection of such co-opted Executive Committee members must be voted in by a majority.
 - e) Each member of the Executive Committee, excepting the Chairman, shall have the authority to nominate an alternate to stand in their place on the Executive Committee during such nominated alternate shall be by the majority vote of the Executive Committee. The alternate of the Chairman shall be the Vice-Chairman of the Association.
 - f) Rules and Regulations of the Association shall form an integral part of the Constitution and be enforceable by the Executive Committee.
5. The Executive Committee shall conduct its affairs in accordance with the Rules of the Association.
6. All members of the Association agree to abide by the Rules and Regulations of the Association.

5. Trustees

- a) There shall be three Trustees of the Association who shall hold the property and assets of the Association upon trust to deal with as the Executive Committee shall from time to time direct.
- b) The Trustees will be appointed at the Annual General Meetings of the Association.

6. Amendment

This Constitution and the Rules and Regulations associated with it, may be added to, repealed or amended by resolution at any annual or extra-ordinary general meeting, provided that no such resolution shall be deemed to have passed unless it is carried by a majority of at least two thirds of the exporting members present at the meeting.

7. Affiliation

The Association is affiliated to the (Guyana Manufacturers Association) GMA and may enter into arrangements with other bodies for the furtherance of its aims and objectives.

RULES AND REGULATIONS

1. Definitions

‘Association’ means the Guyana Horticultural Exporters Association

‘Industry’ means the agricultural and business interests of the horticulture and floriculture sectors

‘Member’ means any person/incorporated body which has been accepted as a member whose fees and subscriptions are paid up to date

2. Aims of the Association

The major aims of the Association shall be as follows:

2.1 To make representation at national level on the major political, economic, legal and administrative issues that effect the well being of the industry as a whole

2.2 To promote the development of the industry through the following:

2.2.1 An economic, competitive and reliable airfreight service to satisfy members’ requirements

2.2.2 To assist members in obtaining access to efficient and adequate coldstore facilities at Timehri International Airport.

2.2.3 Assistance in attracting finance for the Association and its members.

2.2.4 To co-ordinate and develop the provision of technical services to members.

2.2.5 The procurement of bulk inputs, such as packaging, for the industry, to ensure competitive quality and price

3. Airfreight
 - 3.1 Members who enter into a contract(s) with the Association for provision of airfreight or other services, will be bound by those specific terms and conditions as specified in such contract(s).
 - 3.2 All signatories to the airfreight contracts must have 24 hour communications with GHEA for the export season.
4. General Meetings
 - 4.1 To annual general meeting of the Association shall be held each year within 90 days of the end of the Association's financial year upon a date and at a time to be fixed by the Executive Committee for the following purposes:-
 - a) To receive from the Executive Committee a report and audited accounts for the preceding financial year.
 - b) To elect the Executive Committee and Trustees for the coming year.
 - c) To appoint Auditors for the ensuing year.
 - d) To decide on any resolution properly submitted to the meeting as hereinafter provided.
 - e) To present the plans for the future strategy of the Association.
 - 4.2 The quorum for a general meeting shall be greater of either 30% of the Association's exporting members.
 - 4.3 An Extra-Ordinary General Meeting may be called at any time, subject to the requisite notice with agenda by the Executive Committee on receipt of a petition signed by one fifth of all members of the Association.
 - 4.4 The Meeting can only vote or make decisions on matters that are on the Agenda. Decisions are taken by simple majority of the active members present or represented and having paid their membership subscriptions. In the event of equality, the Chairman shall have a casting vote. Subscriptions are due on July 1st each year. The amount to be set at each Annual General Meeting.
 - 4.5 Between 7 and 21 days before each general meeting, written notice of such meeting and of the business to be transacted thereat shall be sent to each member at the address shown in the register of members of the Association and no business other than that of which notice has been so given shall be brought forward at such meeting.

4.6 Any member wishing to have a particular resolution considered at any General Meeting shall write to the Secretary with a copy of the proposed resolution at least 28 days before any General Meeting and the Secretary shall then include it on the agenda.

4.7 Non-receipt of a notice by any member shall not invalidate the proceedings at any meeting.

5. Executive Committee

5.1 At the Annual General meeting 3 members of the Executive Committee shall retire although they can stand for re-election. Any two members may propose any other candidate and candidates up to the number of vacancies to be filled, those who shall receive the most votes shall be declared elected, and in the case of two candidates receiving an equal number a second vote will be held.

5.2 The Executive Committee shall from time to time appoint from amongst the members of the Association such sub-committees as it may deem necessary.

5.3 The Executive Committee shall meet at least quarterly to arrange the affairs of the Association and to examine the accounts. Notices of such meeting shall be sent to each Executive Committee Member by the Secretary.

5.4 A quorum for Executive Committee meeting shall be 4 members, one of whom shall be the Chairman or Vice-Chairman.

5.5 Each Committee Member shall have one vote and in the case of an equality of votes the Chairman shall have the casting vote.

5.6 Minutes shall be taken of all proceedings of the Executive Committee and shall be open to inspection by any members of the Association applying to the Secretary.

5.7 The Vice-Chairman and the Secretary of the Association shall be appointed by the Executive Committee and its elected members.

6. Indemnity and Responsibility

Every Committee Member of the Association shall be indemnified by the Association against any costs, losses and expenses which any Committee Members may incur and become liable to for any act done on behalf of the Association unless such loss or any damage occurs as a result of the gross negligence or dishonesty of the Committee Member.

7. Finance

7.1 The financial year of the Association shall end on the last day of ????? each year and the accounts of the Association shall be prepared as at that date.

7.2 The annual subscription shall first be paid by a member upon admission to the Association and on the 1st day of ?????? each year thereafter, and if a subscription has not been paid by the Annual General Meeting following, the defaulter shall cease to be a member.

7.3 The subscription cost will be payable in United States Dollars or the Guyanese dollar equivalent calculated at the ruling bank selling rate on date of payment, and increasing according to turnover (see 4.4).

8. General

8.1 Advertising or correspondence containing the Association's endorsement and/or logo will require the approval of the Executive Committee.

8.2 No packaging material will contain the endorsement or logo of the Association without the prior consent of the Executive Committee.

9. Penalties

9.1 Any member, or person who shall fail in the observance of any of these Regulations or whose conduct in any respect shall, in the opinion of the Executive Committee be prejudicial to the interests of the Association, may have his/her membership of the Association withdrawn, or have any other disciplinary action deemed fit by the Executive Committee taken against them.

Minutes of the first steering committee meeting of the Guyana Horticultural Exporters Association (GHEA), held at the GEO office, Georgetown, Wednesday 15th October, 2003

Agenda:

1. Discuss first draft constitution
2. Agree on the aims and objectives
3. Voluntary formation of a steering committee
4. Formation of subcommittees
5. Next meeting

This was an informal occasion chaired by Mr. Steven Humphreys, consultant for the GEO project. It was attended by 12 people who, following the first gathering of exporters at the GEO office on Wednesday 10th October, showed interest in going ahead and forming an association. A list of all those who attended both meetings, together with contact names and addresses, is attached.

The meeting started at 1.15pm

Minutes:

1. The proposed first draft GHEA constitution was discussed, and a second draft has now been agreed.

2. The members present continued their discussions on why it was important for the industry to work together as an association, and there was general agreement that as a group it should be easier to overcome some of the constraints faced by the industry.
3. All members present wanted to volunteer to work on a steering committee, and Ms Juliana McCalmont agreed to act as Chairperson. The other 8 members willing to go on the steering committee were: Mr Ramrattan, Mr Ramdass, Mr Outar, Mr Ousman, Mr Bisram Singh, Mr Doodnauth Singh, Mr Ramsaroop, Mr Mekdeci.
4. It was agreed that sub-committees should be formed on airfreight, inputs, finance, and liaison with the Ministry of Agriculture. Ms McCalmont would lead the sub-committee on airfreight, Mr Ramdass would lead the sub-committee on Input procurement, Mr Outar would lead the sub-committee on finance together with Mr Ousman and Mr Ramrattan, whilst Mr Mekdeci would lead the sub-committee on Ministry of Agriculture liaison. The airfreight group would start working on how to consolidate cargo and negotiate for better deals with dedicated freight airlines, such as Amerijet, and MK. The input procurement group would look at the industry's requirements for several types of standard packaging, and consolidate orders, to try and obtain better prices and quality on export boxes. The Ministry of Agriculture liaison group would look at improving the constraints resulting from difficulties in getting farms certified for export, as well as the issuing of phytosanitary certificates for export shipments.
5. The Steering Committee agreed to meet at 1.30 pm on the first Thursday of every month and the GEO project offered the use of its board room for these. Mr Ousman stated that he may have some office space available for rent in the future once GEO project could no longer offer its meeting room. The next meeting is therefore on Thursday 6th November at 1.30pm sharp.

There being no further business the meeting closed at 3.15pm

Annex 2. GHEA list of persons attending meetings to propose formation of an association

**List of fresh produce exporters interested in forming a
Guyana Horticultural Exporters Association (GHEA)**

Compiled by Steven Humphreys, Consultant to GEO Project,
12 Earl's Avenue, Subryanville, Georgetown. Tel: 22-37144

Following meetings on Friday, October 10, 2003
and Wednesday, October 15, 2003 at GEO Project Office
(Updated 17th October, 2003)

No	Name	Company & Address	Products
1.	Boyo Ramsaroop	Double 'B' Exotic Gardens	Fresh-cut flowers, foliage and exotic fruits
2.	Patrick Ketwaru	Synergy Holdings Inc 117 John Street Campbellville, Georgetown	Packet Foods, Canned and Fresh foods
3.	Stephen Rambarran	Eplissa's Traders 19 Jamoon Drive, Meadow Brook Gardens, Georgetown	Seafood, Sauces etc.
4.	Errol Billey	12 K Enachu Street, Campbellville, Georgetown	Seafood and Fresh fruit
5.	Bishan Ganpat	331 Sadribazaar Street, Prashad Nagar, Georgetown	Seafood, timber, fruits and vegetables
6.	Shaam Outar	A & S Enterprise 34 Robb & King Streets, Georgetown	Fruits and Vegetables
7.	Doodnauth Singh (Rabi)	Two Brothers Canal No. 1, W.B.D.	Pineapple, melon, plantain, limes etc.
8.	Bisram Singh	Two Brothers Canal No. 1, W.B.D.	Pineapple, plantain, limes, pumpkin etc
9.	Rambarran Singh (Delip) for Khimraj Ramkelowan	57 Station Street Kitty	Plantains, melons, limes, bora, eddoes, pineapples
10.	Juliana Mc Calmon	Kings Foods 30 Anira Street Queenstown, Georgetown	Pumpkins, pineapple, limes, bora, eddoes, plantain, pepper, cabbage, eggplant, other fresh fruits
11.	Rajendra Kumar	30 Little Diamond East Bank Demerara	Limes, pineapple, eggplant, watermelon, plantain, pumpkin

No	Name	Company & Address	Products
12.	R. Ramrattan (Sean)	RRT Enterprise W ½ 107 Regent Road Bourda, Georgetown	Plantain, pineapple, watermelons, eggplant, bora, limes, other fresh fruits and vegetables
13.	Dhanwatie Yakub for Seonarine Persaud	Sirius International Inc. 63 Gordon Street, Kitty Georgetown	Now starting
14.	G.C. Mekdeci	Savannah Prem. Products 19 Water Street, Georgetown	
15.	Robert Ramdass	Amazon Caribbean	Hearts of Palm,
16.	Richard Ousman	Wonderland Tours	Lime and Pineapple
17.	Deodot Doodnaut	Deodot Doodnauth 29 First Street Alexander Village Georgetown	Fresh product to Toronto

Annex 3. List of persons visited

Nizam Hassan, General Manager, New Guyana Marketing Corporation (NGMC), Tel: 226-8255, mobile 623-8366

Derrick Cummings, Executive Director, and Clem Duncan, Training co-ordinator, Guyana Manufacturers Association (GMA), Tel: 227-4295

Haribhajan Persaud, Senior Vice President, Universal Airlines, Tel: 226-4919

Ulric Ceres, President, Total Aircargo (agent for Amerijet), and Randolph Wong, Cargo Manager, Tel: 226-7994, mobile: 623-5982

Victor Sarabdial, Operations Manager, Laparkan Cargo, Tel: 226-1095, mobile 623-2027

Muntaz Ali, President, National Association of Regional Chambers of Commerce, Tel:226-0233

Clinton Williams, Chief Executive Officer, Guyana National Industrial Company Inc, Tel:226-0882

Glenis Hodge, Customer Service Manager, Tropical Shipping, Tel:227-7203

Maurice Gajadhar, Airport manager, and Ramnarine Singh, Cargo Manager, Universal Airlines, Timehri Airport, Tel:261-2274, mobile 616-8562

Bisram Singh, Managing Director, Biso Investments, mobile: 621-6922

Geoffrey Da Silva, Chief Executive Officer, Guyana Office for Investment, Tel:225-0653

Deodat Doodnauth, Exporter, Tel: 225-0267

Jennifer De Barros, General Manager, North American Airlines, Tel:227-2589

Chris Fernandes, Chairman and CEO, John Fernandes Ltd, Tel:226-3241

Christine Deen, Manager, Consolidated Cargo Ltd, Tel:261-3070, mobile 625-0591

Olitha Stevenson, Andre Marks, Caleb Pompey, Plant Health Unit, Ministry of Fisheries, Crops and Livestock, Tel: 225-3856

Harcourt Browman, Manager, Roraima Airways (agents for Air Transat), Tel:623-8122

Various exporters, NGMC Packhouse, Sophia, Tel:223-8816

Dr Leslie Chin, Executive Director, IPED, Tel:225-8949

Alan Garrett, Managing Director, Tropi Fruit UK Ltd, Tel: 44-20-82210757

William Noel, Produce buyer for Tropi Fruit, based in Grenada, Tel: 473-4407743

Sean Ramrattan, Managing Director, RRT Enterprises (new exporter), Tel: 592 225-2237, mobile 623-3898

Andrew Siabra, Cargo Agent, BWIA, Tel: 261-2202 or mobile 623-9045

Boyo Ramsaroop, Double B Exotic Gardens, Flower exporter, Tel: 225-2023

Lyn MacAuley, Deputy Head, DFID, Tel: 2265881, mobile 624-3578, email: l-macauley@dfid.gov.uk

Lucia Hanmer, World Bank, Country Representative, Tel: 223-5036-9, email: lhhanmer@worldbank.org

Murray Kam, Head of AID CIDA, Tel: 227-2081, email: murray.kam@dfait-maeci.gc.ca

Rejean Hamel, Director, GPSU/CIDA, Tel: 227-3673, email: rejean_hamel@guyanapsu.org.gy

Annex 4. Other established fresh produce exporters in the Caribbean worth visiting

- Jamaica: JEA (Jamaica Exporters Association)
Ricky Wates, Valley Fruit, Falmouth, Trelawny, Tel: 001876954-5934 or 5931,
mobile: 0018768157226
- Dominica: Gregoire Thomas, DEXIA, Tel: 1767448-2780 or 3494 or fax 6308, email:
dexia@cwdom.dm
- Grenada: Grenada Marketing Board
- St Lucia: St Lucia Marketing Board
- Dominican Republic: JAD (Junta Agroempresarial Dominicana), Tel:1809563-6180 or fax
6181, email: jad@codetel.net.do
- Trinidad: Boysie Boodram, Garden Fresh Produce
- St Vincent: Ms Bullock, JC Foods
- Belize: Mango exporters
- Puerto Rico: Mango exporters
- Note: Andy Medlicott, COP of the Fintrac project in Honduras would be able to assist
with this list.